Development of intercultural skills in workers involved in technology transfer teams

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ABSTRACT

The speed of changes in the global business environment has pushed European multinationals to employ staff from its foreign subsidiaries, to take over some corporate activities in a third country. This is the case with Latin American executives working in China, that face not only the culture shock, but are immersed in a complex chain of commands between headquarters, subsidiary and host market. This project is part of a wider research on decoding the business environment in China for Latin American executives, based on three areas: communication patterns, negotiation patterns and cultural/interpersonal development. A pilot sample was built of Mexican executives that currently manage business in China, and it offers initial assumptions of the study about leadership values such as in-group collectivism, future orientation and power distance. Interviewees also provided insights about differences in working conditions between Mexico & China, the way managers either overcome or fought such difference and the changes that executives would like to see in the Chinese business environment in order to facilitate the adaptation of expatriates from Latin America. The objective of the medium-term project is the development of intercultural skills in workers involved in technology transfer teams within the automotive industry.

Keywords: Technology transfer teams, Intercultural skills, corporate communication, expatriate communication, subsidiary coordination and control

ACKNOWLEDGE

INTRODUCTION

The speed of changes in the global business environment has pushed European multinationals to employ staff, from its foreign subsidiaries, to take over some corporate activities in a third country. This is specially the case of German manufacturers such as VW that after the most recent 2008 crisis, the company has started to rely on human resources throughout the corporate network and not only from the ones centralized in its home county. This phenomenon is caused mainly by two factors; on the one hand, the steady growth of the Chinese automobile market (Automotive News, 2010) (Automotive News, 2010), (Automotive News, 2012) in which VW operates based on 'parallel organizational hierarchies', demands expatriates to share the control of company's activities in China with Chinese business partners; and on the other, the company experienced an increase in demand in Europe (Automotive News, 2012) which hardened the availability of executives. The company made its way out of this problem by setting up an internationalization strategy for its executives worldwide following four principles:

(1) designing formal processes for talent scout world-wide, (2) build a pool of internationally trained executives with an international career plan, (3) building a chain of mentors that helps to develop international managers, (4) setting up a formal plan of successors. This article is part of a wider research which aims to decode the business environment in China based on three areas: communication patterns, negotiation patterns and cultural/interpersonal development. This is the report on the pilot sample of Mexican executives that are currently managing operations in China.

PROJECT PURPOSE

As mentioned above, this is the report on the pilot sample of Mexican executives that are currently managing operations in China. The pilot of the project aims to explore research tools for the wider sample that may include: different companies and expatriates from different nationalities; however, the present report also provides peculiar insights about differences in working conditions between Mexico & China, the way managers either overcome or fought such difference and the changes that executives would like to see in the Chinese business environment in order to facilitate the adaptation of expatriates from Latin America. The objective of the medium-term project is the development of intercultural skills in workers involved in technology transfer teams within the automotive industry.

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INTERCULTURAL SKILLS IN WORKERS INVOLVED IN TECHNOLOGY TRANSFER TEAMS

Based on previous research on the same phenomenon, Table 1 shows a summary of the intercultural skills that should be developed in workers involved in technology transfer teams. There are three main blocks of skills: communication which concerns with language proficiency, language choice and language purpose; Negotiation whinch concerns with negotiation concept, most important issue in negotiation, basis of trust and form of agreement; finally, Expatriates perceptions & attitudes which concerns with cultural values, leadership values and cultural context.

Topics	Literature	Dimensions	References
Communication	Language choice	Communication types Language zones Genre patterns Linchpin	(Harzing & Feely, 2008), (Du-Babcock & Babcock, 1996), (Babcock & Du-Babcock, 2001), (Ghoshal, Korine, & Szulansli, 1994), (Vincent-Wayne & Jackson, 2006).
	Purpose	Inter-unit and intra-unit collaboration Formal reporting Coordination and value creation	
Negotiation	Concept	Win-win agreements	(Metcalf, Bird, Peterson, Shankarmahesh, & Lituchy, 2007)
	Most important issue	Task- related Relationship-based	
	Basis of trust	Written or spoken plans	
	Form of agreement	Explicit contracts Implicit agreements	
Perceptions & Attitudes	Cultural values	Power distance Individualism vs. collectivism Masculinity vd. femininity Uncertainty avoidance Short vs. long term orientation	(Hofstede G. , 1991), (Minkov & Hofstede, 2011), (Hofstede G. , 1980)
	Leadership values	Assertiveness Future Orientation Gender Egalitarianism Humane Orientation Institutional Collectivism In-Group Collectivism Performance Orientation Power Distance Uncertainty Avoidance	(House R. , Hanges, Javidan, Dorfman, & Gupta, 2004)
	Cultural values in Chinese context	Chinese language Balancing opposites Chinese connectedness Midstream living Keeping face	(Zhang & Baker, 2008)

CULTURAL VALUES INVOLVED IN INTERCULTURAL SKILLS

It is important to highlight that cultural values within nationalities and organizations become an important starting point for the development of intercultural skills in workers involved in technology transfer teams. Table 2 shows cultural values in global and Chinese context. These cultural dimensions aim to explain (and at certain extend to predict) the behavior of individuals within organizations; furthermore, while cultural values in a global context are not bound to a specific national framework and therefore assumes that all individuals can be classified under these nine dimensions; on the other hand, the Chinese context mentions that there are five cultural dimensions which explain more accurately human behavior within a Chinese context.

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CULTURAL VALUES IN A GLOBAL CONTEXT

1 Assertiveness
Degree to which individuals in organizations or societies are assertive, confrontational and aggressive in social relationships.

2 Future orientation
Degree to which individuals in organizations or societies engage in future-oriented behavior such as: planning, investing in the future, and delaying individual or collective gratification.

3 Gender Egalitarianism
Extent to which an organization or a society minimizes gender role differences while promoting gender equity and the equality of genders.

4 Humane Orientation
Degree to which individuals in organizations encourages and reward individuals for being fair, altruistic, friendly, generous, caring, kind to others, and exhibiting and promoting altruistic ideals.

5 Institutional Collectivism
Reflects the degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action.

6 In-Group Collectivism
Reflects the degree to which individuals express pride, loyalty and cohesiveness in their organizations or families.

7 Performance Orientation
Refers to the extent to which an organization or society encourages and rewards group members for performance improvement and excellence.

8 Power Distance
Degree to which members of an organization or society expect and agree that power should be unequally shared.

9 Uncertainty Avoidance
Extent to which members of an organization or society strive to avoid uncertainty by reliance on social norms, rituals, and bureaucratic practices to alleviate the unpredictability of future events.

1 Culture through language
Chinese language embodies Chinese philosophy and culture. Chinese have an extraordinary amount of pride in and respect for their history. Much of that history is kept 'alive' in the language(s), in how the Chinese live their lives, conduct themselves and their businesses.

2 Balancing opposites
Law of 'yin' and 'yang'
The universe consists of these two fundamental, harmonious yet opposite forces (relationship between good and bad). The balancing of opposing forces forms the foundation of Chinese thinking. In the business context, today's competitor may become tomorrow's business partner.

3 'Born connected' not 'born equal'
Contentedness and tolerance comes from the fundamental Chinese idea of being 'connected'. A Chinese person is never encouraged to think in an individualistic manner or attitude, and is never treated on a stand-alone basis. The West may believe that 'we are all born equal', the Chinese believe that 'we are all born connected'.

4 Midstream living
Balance one's position among a group while maintaining conformity. Conformity is regarded as one's highest form of contribution to society, while still achieving personal objectives.

5 Keeping face
It refers to someone's reputation and social status, as well as the image that one establishes in the eyes of others which is more important than life itself.

CULTURAL VALUES IN THE CHINESE CONTEXT

RESULTS OF THIS PILOT RUN

An initial factor analysis showed that three leadership values (Practice collectiveness in-group, Practice Future Orientation, Practice Power Distance) explain the **78% of differences between Mexican and Chinese nationals**, and therefore the pilot study concentrated in these three specific leadership values.

The above mentioned leadership and cultural values where tested in two different types of messages: Productive and Innovative messages. 'Productive message' has been defined as the message type that managers use when all performance indicators run within expected limits; while, 'innovative message' has been defined as the message type that managers use when performance indicators are out of their normal course. According to what has been discussed above, the research question: *"How can Latin American executives accelerate and better integrate themselves into the business environment in China?"* is transformed into three main propositions:

(P1): During a 'productive' situation, the In-group collectivism in China is higher therefore the Mexican managers perceive segregation and lack of authority.

(P2): During a 'productive' situation, Future orientation is lower in China and therefore Mexican managers perceive difficulties in planning ahead in China.

(P3): During a 'productive' situation, Power distance is higher in China and therefore Mexican managers perceive difficulties to communicate with Chinese individuals. Two extra propositions are given for the innovative message type and manager values:

(P4): During an innovative situation, Mexican managers change their communication and negotiation style, seeking to reduce the disadvantage in terms of In-group collectivism, Future orientation or Power distance.

(P5): Mexican managers consider that the adaptation of Latin American executives would be easier if the business environment in China had different characteristics in terms of In-group collectivism, Future orientation or Power distance.

Interview questions are divided in three different blocks (1) main interview questions, (2) demographics of the sample and (3) improving managers' experience. Table 7 shows main interview questions: in-group collectivism, future orientation, power distance, innovative situations, and manager values.

IN-GROUP COLLECTIVISM

+ During negotiations, Mexican managers perceive that their Chinese counterparts seek the benefit to both parties? (NGCBNF)

+ During negotiations, Mexican managers perceive that their Chinese counterparts are looking to build a relationship or just find solutions the points of negotiation? (NGCBLD)

+ During negotiations, Mexican managers perceive that their Chinese counterparts based business agreements on personal relationships? (NGCRLT)

POWER DISTANCE

+ Mexican managers' inability to communicate in Chinese language affects their job performance? (improve performance if you would speak Chinese ...) (LMTLNG)

+ Mexican managers' hierarchical position in the organization affects his/her job performance? (worse if it had less rank ...) (LMTPST)

+ The name of the company for which the Mexican manager works affects his/her job performance? (if less recognized worse ...) (LMTCPY)

+ Does the fact that Chinese counterparts perceive that the Mexican managers acts 'different' to other business men affects their job performance? (better if acting like ...) (LMTDFF)

+ The fact that 'keeping face' is culturally rooted in Chinese business environment affects your job performance? (better if this were not rooted in Chinese culture ...) (LMTFCE)

INNOVATIVE SITUATIONS

+ When changes are necessary because performance indicators gone out of its normal course, Mexican managers focused these changes on communication, negotiation and interpersonal or cultural performance? (CMMINN)

MANAGER VALUES

+ What would the Mexican manager change the business environment in China if it were in his/her hands: communication, negotiation, media, cultural and interpersonal performance? (VALORE)

FUTURE ORIENTATION

+ What is the Mexican managers' judgment as to how activities are planned in China? (NGCPLN)

+ What is the Mexican managers' judgment as to how activities are monitored in China? (NGCMNT)

+ What is the Mexican managers' judgment as to as to reward performance in China? (NGCCLL)

Fifty three questions were provided which was very challenging for an interview lasting 45 minutes on the average. Therefore, researchers focused the interview on main questions in order to let managers freely express themselves as much as the time allowed. Interviews were reordered and transcribed afterwards; researchers coded interviewees' responses on likert scales. Time after, interviewees received an excel file with the interviewer's questions, so that they were able to see how his/her responses were codified. Researchers requested interviewees to check if the codification matched with what they wanted to express during the interview and if it does not, they were able to change their responses directly on the likert scale. A database of codified answers was built with returning excel files and a statistical analysis was derived from such source. Table 10 shows likert scales of main responses. Table 11 shows the MNC participating in the pilot sample, their country of origin and location in China.

Figure 1 shows boxplots for in-group collectivism, future orientation and power distance.
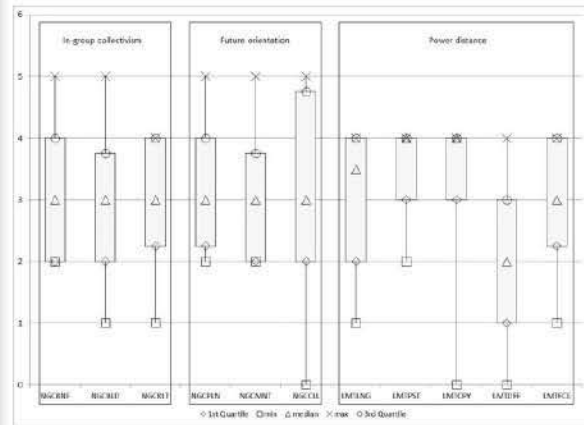

Figure 1: Boxplot analysis for in-group collectivism, future orientation and power distance

MNC	Home Country	Subsidiary	Host Location
VW	Germany	SAIC-VW	Shanghai
VW	Germany	FAW-VW	Changchun, Beijing, Cheng Du
Continental	Germany	Continental	Changchun
Johnsons Controls	US	Johnsons Controls	Changchun
Grammer	Germany	Grammer	Changchun
Hella	Germany	Hella	Changchun

Table 11: MNC included in the sample

IN-GROUP COLLECTIVISM

With no significant shift in means, the perception of Mexican expatriates is that in-group collectivism depends on specific cases, and a large overlap of boxplot boxes indicates that the majority of interviewees tend to think similarly. However for the question of '…Chinese counterparts would either seek for their own benefits or the benefit for both parties?' Interviewees indicated that if the negotiation is about short term agreements, Chinese managers tend to look for their own benefit. But, in negotiations on long term agreements, the consensus is around seeking benefits for both parties. Interviewees highlighted the positive experience they had while negotiating further investment with the central government; contrary to what the expected, executives from government never push or rush the negotiation. A similar situation is with the question of whether '…Chinese counterparts seek to build a relationship?'; managers expressed that it is difficult to build a relationship with Chinese nationals mainly because of the way they perceive cultural differences from foreigners in comparison to their own cultural values; however, the answer to this question. Finally, on the question about whether 'Chinese counterparts tend to base negotiation agreements on personal relationships', managers indicated that Chinese executives do not sign agreements. Mexican managers mentioned that this is a very blocking attitude from the fact that it is very difficult to gain the commitment of people. Managers suggested different methods to track negotiation decisions such as using electronic whiteboards and circulated handout of negotiation topics and discussions. Interviewees also indicated that the lack of a willingness to sign agreements is closely related to the fear of losing the 'face' if they make wrong decisions; therefore Chinese leave the decision making process to either higher hierarchy organizational levels or in-group decision making.

FUTURE ORIENTATION

For the case of future orientation, there are not significant shift in means therefore most managers tend to think that this is as they would have expected; however, boxplot boxes overlaps differently than they do for the previous case. Regarding the question of '…Mexican executives' judgment on the way activities are planned in China?', most managers think that planned activities are carried out as expected. They mention that the automotive industry is very demanding and standards oriented. Therefore, it would be very difficult for Chinese subsidiaries to modify this pattern. A similar case is with '…Mexican executives' judgment on the way activities are monitored in China?'. Most managers think that activities are monitored as they expected. However, managers offered more insight about this. Interviewees mentioned that Chinese workers are not used to following procedures and tend to look for shortcuts. Consequently, the monitoring activity is always very comprehensive and time consuming for middle men. This phenomenon has a larger implication for either project management and product compliance duties, since repetitive activities such as serial production are more standardized. Furthermore, Mexican managers state that 'modifying report figures' is a common business practice that although is seen as a negative action in China, the penalty for doing this is not as high as they would expect in either Mexico, Germany or the US. A lightly different story is with respect to the question concerning '…Mexican executives' judgment on the way activities are rewarded in China?' Managers think that this is better than they expected. Some managers indicated that companies tend to stress on economic reward; this is different to Mexico that reward stress on recognition. Interviewees argue that Chinese society is very monetary oriented and people are always thinking on how they can obtain the best economic benefit from a job. Managers even mention that is very difficult to retain a worker in a position because nowadays, there is a lack of available workers due to the enormous economic activity.

POWER DISTANCE

Boxplots tell a different story about power distance in comparison to in-group collectivism and future orientation. There is a significant shift in means from 2 to 4 values and boxes overlaps are also significant. Regarding the question of '…Mexican managers' inability to communicate in the Chinese language affects their job performance?' most managers tend to express that this affects their performance and obviously, executives with activities directly related to managing people, stress in this issue. Most of the arguments of managers denote the anxiety on doubting whether Chinese counterparts understand or not what they want to express. Interviewees state that even though most companies hire communication assistants (linchpins) to translate or help with the day by day communication, linchpins do not solve the anxiety on this matter. Furthermore, some of the interviewed managers mentioned that they dispensed with linchpins because they do not tacitly translate what they want to say, mainly because of the fact that linchpins tend to adapt the message to their business culture. Another important issue expressed by Mexican managers is the use of body language; Chinese workers tend to assent when they are listening but that does not mean that they agreed what they have been told but simply saying 'I am listening'. Anxiety rises when Mexican managers raise their voices to the level of being considered rude. The practice of pointing out the defects of someone in public decreases the authority of the one who does it. Managers also state that as a foreigner, speaking Chinese may lead to more confusion because Chinese workers could think that the foreigner knows the culture surrounding the conversation. Regarding the question of '…Mexican managers' hierarchical position in the organization affects his/her job performance?' most managers indicate that organizational hierarchy impacts job performance. They state that decisions are made by top management; furthermore, if immediate action is needed, the most reliable way is that top management communicates it by a top-down command. Managers mentioned that organizational hierarchy is a big issue in a business context because it impacts substantially on the effectiveness of meetings. Meetings becomes an 'informational show' in which there is not discussion of issues or the opportunity to change the course of decisions, decisions are made before meetings. Regarding the question of '…The name of the company for which the Mexican manager works affects his/her job performance?' most managers consider this to be true;

however as explained previously, the Chinese living style is very monetized and workers would not prefer to stay in a well-known company if the salary is low. Regarding the question of '…The fact that Chinese counterparts perceive that the Mexican managers acts 'different' to other business persons affects their job performance?' most managers disagree with this statement, since they do not perceive that acting differently affects his/her performance. Some of them even argue that being a foreigner is an advantage; people know that you are there because of the knowledge and technology so they seek to quickly gain the most of your knowledge. With respect to the question of 'The fact that 'keeping face' is culturally rooted in Chinese business environment affects your job performance', most managers consider this to be true. 'Keeping face' causes lack of commitment and lack of willingness to take a risk. Managers mentioned that when they have found fault with somebody, it is not possible to blame them immediately. Managers need to find ways to point out mistakes without exposing people; respondents mentioned that when someone has been exposed in public, Chinese are in solidarity with their compatriots and are no longer willing to participate.
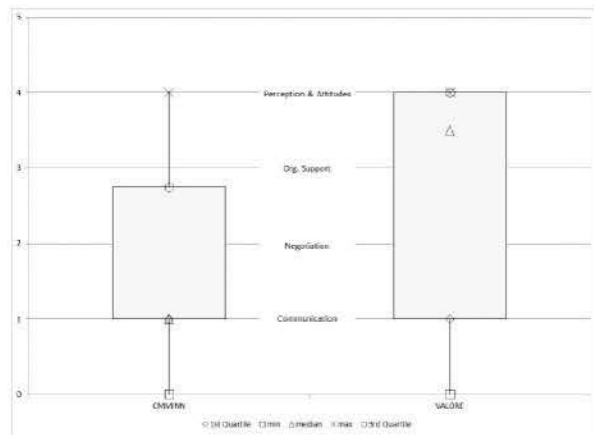

Figure 2 shows the boxplot analysis for the dimension of manager's perception, attitudes and cultural values. As mentioned before, levels represent how managers would choose to response in case performance indicators are out of control (innovative situation) and what to change if it were in his/her hands to do it (manager values). There is a significant shift in means; while for the case of innovative situation, managers tend to put emphasis on communication, they would chose to change the organizational support and Chinese perceptions and attitudes if the could.

INNOVATIVE SITUATION

Regarding to the question of ' When changes are necessary because performance indicators gone out of its normal course, Mexican managers focused these changes on communication, negotiation and interpersonal or cultural performance?' most managers mentioned that they try to improve communication modes and channels. One strategy they follow is to make sure that workers understand what they have been told to do, make sure workers have tools and knowledge to do their duties and check even hourly the course of urgent topics.

MANAGER VALUES

Regarding to the question of 'what would the Mexican manager change the business environment in China if it were in his/her hands: communication, negotiation, media, cultural and interpersonal performance?' most managers express that they would change the cultural and interpersonal performance of Chinese counterparts. The issues that managers expressed are to get Chinese workers to gain interest in their work, to get them to accept challenges and responsibilities and not only in the money. Also, it is desired to get Chinese workers to express what is bothering them and what they like about their work. Mexican managers also mentioned that Mexican managers should change their mind-set about China; the old stereotype of poor, humble and handicapped Chinese people that was widely publicized by movies is no longer valid. China has gone ahead quickly to many western countries in different economic activities.

OTHER FACTORS: LANGUAGE CHOICE, LINCHPINS AND DOUBLE ORGANIZATIONAL HIERARCHY

Other important information obtained is how expatriates' performance is affected by the use of a specific language, linchpins or double organizational hierarchies (Chinese pair). It seems that linchpins do not have an important impact on expats' performance. Managers expressed that even if linchpins can be a 'bridge' to the Chinese culture, they do not really offer much advantage; especially if linchpins are young workers with low experience and little organizational knowledge. Some managers stated that linchpins can be an advantage if their 'in-situ' is high. Another important factor to discuss is the choice of language to communicate; it seems that the choice of German as a communication language has a negative impact on expats' performance. The organizational communication literature discusses the advantages of adopting a common organizational language that in many cases is not the MNC home country language. Finally, the double organizational hierarchy seems to have a relative positive impact on expats performance. Although Mexican managers would find it difficult to couple with Chinese managers, they offer a reliable 'bridge' to the local business culture.

THUMB RULES FOR ADAPTATION

It is not possible to derive a statistical conclusion to the above proposed research statements because the sample size is too small but, tentative findings can be proposed to the reader as a summary of what is being discussed:

1. Before embarking in any negotiation, foresee players' roles, aims and horizons. If possible express goals in a medium to long term period.

2. Try to find out what role can you play in already established Chinese teams, play for the team and not for yourself. In this way, you increase the chances to build a relationship with your hosts.

3. Locate the decision maker, communicate your ideas to him/her in a face-to-face meeting, and let him/her convey the ideas to the team. Do not pretend that your ideas would be better accepted if you push or rush your Chinese hosts.

4. Do not make a direct judgment on somebody else's work. Express your points in terms of overall performance. Base your judgment on facts (indicators, written processes, etc.). If needed, call the worker in a face-to-face meeting to point out his/her mistakes.

5. Be aware about the volatile job market in which implications might be different from what you have seen in your country. Workers would be looking for today's reward rather that a job career.

6. Find a common communication language which might be different from a corporate language. Use linchpins but do not rely on them to assertively communicate your ideas. Even with his/her help, double check if the message has gone through (ask questions, monitor developments frequently, etc.)

7. Understand and accept the fact about the importance of hierarchies; rather than fight against them. Use the system to advance your ideas and improve performance.

8. Seek support whenever is needed starting from your pairs. Use your organizational networking to bring solutions to the problems you are facing daily.

9. Remember that you are not there to take a Chinese position, but to take the position that a Chinese worker cannot have yet because of the lack of knowledge. Therefore, teach them to do it.

10. Get rid of any stereotype you have about China, you will be surprised how advanced and fast growing it is in comparison to your own country.

CURRENT LIMITATIONS OF THE STUDY

It is important to mention that the sample size presented in this paper limits any possible statistical assumptions. Anyhow, the purpose of this paper is to pilot the research questions, variables and statements for increasing the sample size and sample heterogeneity by including other Latin American nationals. Another important limitation is the current study's perspective and approach taken; the GLOBE framework is that an "either/or" (linear, Western), rather than "and/and" (Chinese, holistic) perspective is adopted to assess cultural differences in the context of China.   Some scholars have also been challenging the controversy surrounding Project GLOBE and what it has measured: unfounded national stereotypes (misleadingly called "practices") and norms (misleadingly called "values"); while clear differences are shown if compared between mainland China, Hong Kong and Taiwan. Following Hofstede's value orientation framework, tend to bound Chinese people in their high power distance, low individualism, low uncertainty avoidance and medium masculinity ratings (Bond, 1996; Chong et al., 1983; Shenkar and Ronen, 1987: Cragin, 1986: in Dong & Liu, 2010), while IBM survey showed that in comparison to the Americans, Chinese are more likely to choose long-term orientation decisions.

FURTHER STUDY

In concordance with it has been explained above, it would be important to increase the sample size in order to get a representative population to derive assumptions. This can be either increasing the number of Latin American managers having an expatriate experience in China; however, finding managers within the automotive and industry seems to be very restrictive and time consuming. In contrary to that, the sample size can also be increased by digging deeper on each of the fourteen cases presented in this article. Thus, every manager has an inner circle in China, represented by people working close to him/her such as: chief, pair, linchpin and collaborators. In consequence, the sample size could be increased up to 112 interviewees (inner circle: 1 chief, 1 pair, 1 linchpin, 5 collaborators equals 8 people; 8 people times 14 managers equals 112 interviewees). Hence, the sample size can be extended further if a 'mirror' research is carried out in Mexico with Chinese managers, then the total sample size would be 224 interviewees. A similar approach can be taken if the study is expanding to other nationalities in Latin America.

TEAM PROJECT AND OPPORTUNITIES TO JOIN

Picture 2 shows the current project team; the project is divided into two different scopes: (1) Latin America case studies that are concerned with the collection of cases from Latin American executives working in China, (2) China case studies that are concerned with the collection of cases from Chinese executives working in Latin America. There are two types of research partners in each scope: (1) Universities and Research Centers that convey the research activities, (2) Industrial Partners that identify sample of executives and validate information that is being obtained from samples. Currently, the research pilot is based on the automotive market and VW as the industrial partner. There are possibilities to join the project, both for universities and for companies that want to inquire about current intercultural skills of their workers. The project can be extended to other nationalities and eventually to other industries where the use of technological transfer teams is needed.

SIMILAR RESEARCH ON THE SAME PHENOMENON

Communication within the organizational context can be divided into three categories: (1) communication within organizations, (2) communication between organizations of the same species, and (3) communication between organizations of competing species (Vincent-Wayne & Jackson, 2006). In the complexity of multinational corporations (MNC), it would be possible to find all previously mentioned communication categories within the same corporation; mainly with respect to the strategic posture that MNC can adopt. Different strategic postures are identified. Ethnocentric posture regards with 'value homogeneity' among groups (Luo & Shenkar, 2006).Polycentric posture emphasizes the local adaptation especially when HQ has limited control from the headquarters (van den Born & Peltokorpi, 2010). And, Geocentric postures which denote that the corporation's search for resources within a global scale (Perlmutter, 1969) regardless to either home or host emphasis.

The adoption of a particular language within the organizational context denotes a specific strategic posture, an organizational identity (Borgerson, Schroeder, Escudero-Magnusson, & Magnusson, 2009) and a particular purpose such as: influencing inter-unit and intra-unit collaboration (Rogerson-Revella, 2007), formal reporting (Fredriksson, Barner-Rasmussen, & Piekkari, 2006), and facilitate coordination and value creation (Luo & Shenkar, 2006). However the diversity of activities, roles and players involved in corporate networks tends to make difficult a tight alignment and language hybridization occurs (van den Born & Peltokorpi, 2010). Even though the adoption of a particular language may have implications on MNC formal communication structures, it has been reported that interpersonal networking makes a larger contribution to communication performance (Ghoshal, Korine, & Szulanski, 1994), this finding put emphasis on how individuals make use of communication techniques and methods in order to impact positively on his/her own managerial performance. In consequence, the universe of languages to choose from and individuals' expertise in a particular language, make a complex system of languages zones (Babcock & Du-Babcock, 2001). Expats usually switch from one language zone to another according to the specific situation and receiver. Furthermore, managers employ so called 'linchpins' that are individuals with bilingual capabilities and comprehension of the local business environment. Linchpins assist expatriates during the communication process customizing both ways messages with the aim of improving and speeding up the communication (Du-Babcock & Babcock, 1996), (Babcock & Du-Babcock, 2001). Another important characteristic of international communication is the identification of 'genre patters' such as: professional, commercial and relational genre (Du-Babcock & Babcock, 2007); to which the level of proficiency and the importance of the comprehension of the message vary. Communication assertiveness has been claimed especially important within subsidiary – HQ context; miscommunication between expats and local managers leads to underperformance and an increasing anxiety in local managers that triggers conflict and cognitive distortion of the strategic intent (Harzing & Feely, 2008). Consequently, negotiation is another important capability within cross-border management context. Four dimensions have been identified for negotiation in an international context: (1) concept of negotiation which refers to a negotiators' initial intentions such as win-win agreements; (2) most significant issue which refers to a particular emphasis negotiators put on the process, these are either task-related or relationship-based; (3) basis of trust which refers to whether or not negotiators rely on written or spoken plans; (4) form of agreement which refers to whether negotiators request explicit contracts or implicit agreements (Metcalf, Bird, Peterson, Shankarmahesh, & Lituchy, 2007). As mentioned previously, the phenomenon implies the perception and attitudes of individuals that are heavily influenced by their cultural values. In organizational studies, perhaps one of the most well-known works involving culture is the one developed by Geert Hofstede during the 1970's (Hofstede G. , 1980). Hofstede defined four components of national cultures; power distance, individualism vs. collectivism, masculinity vs. femininity, and uncertainty avoidance with the intention of claiming that work-related values, beliefs, norms, and self-descriptions vary from cultures. Definitions of the dimension are as follows (Minkov & Hofstede, 2011): Power distance is a social inequality, including the relationship with authority; Individualism vs. collectivism is the relationship between the individual and the group; Masculinity vs. femininity is the social implications of having been born as a boy or a girl; Uncertainty avoidance are ways of dealing with uncertainty, relating to the control of aggression and the expression of emotions. In a later work, Hofstede included a fifth dimension: long vs. short term orientation (Hofstede G. , 1991) to address if the focus of people's efforts is on the future, present or past. The implication of Hofstede's research has brought a significant amount of related studies such as the GLOBE Project (Global Leadership and Organizational Behavior Effectiveness) in which it was introduced other dimensions as well as reframing Hofstede ones. The GLOBE project introduced also the concept of practices and values to put emphasis in the difference between 'what people experience' and 'what they should desire to experience' (House R. , Hanges, Javidan, Dorfman, & Gupta, 2004). Therefore, cultural values would have potential implications in cross-border activities because on one hand, value chain signals would be under the interpretation of managers and on the other, managers would derive actions according to what they consider to be good for the specific location, situation and aligned to corporate norms. Finally, it is important to review on specific cultural values of Chinese individuals and five elements to understand the Chinese culture have been identified: (1) Chinese language which embodies Chinese philosophy and culture; (2) balancing opposites which imply the law of yin/yang, (3) Chinese connectedness refers to the belief that we are 'born connected' not 'born equal', (4) Midstream living which is the golden rule; (5) face which is more important than life itself (Zhang & Baker, 2008).

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